

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JUDGE STEIN

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UNITED STATES OF AMERICA : INDICTMENT

-v.- :

MONDHER BEJAOU, :

10 Cr.

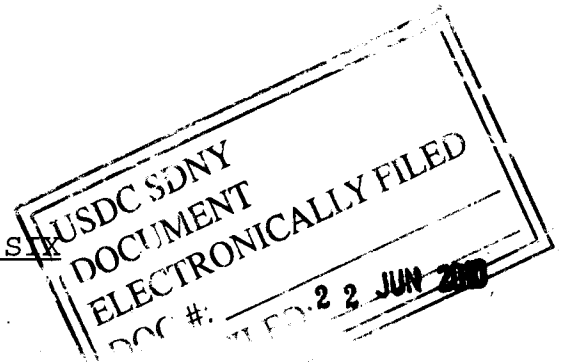
10 CRIM 553

Defendant. :
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COUNTS ONE THROUGH SIX

(Mail Fraud)

Background



The Grand Jury charges:

1. In New York State, vehicle owners who are unable to secure either personal or commercial auto liability and physical damage insurance coverage through a willing insurance agent in the voluntary market can get insurance through the New York Automobile Insurance Plan (the "NYAIP"), an entity established pursuant to New York State Insurance Law. Brokers certified by the NYAIP can submit policy applications to the NYAIP on behalf of applicants. The NYAIP then assigns the application to an insurance carrier doing business in New York State and forwards the assigned carrier the policy application by mail. The carrier to which NYAIP assigns the application is required to provide insurance coverage to the applicant.

2. The assigned carrier determines the policy premium

based, in part, on where the vehicles to be insured are garaged and operated. Vehicles whose principal garaging location is in New York City are charged a substantially higher insurance premium than vehicles that are principally garaged or operated in locations outside of New York City, including Glen Cove, New York; Binghamton, New York; Vestal, New York; Endwell, New York; and Southampton, New York.

Overview of the Scheme

3. In order to defraud insurance companies of money, MONDHER BEJAOU, the defendant, caused to be mailed to the NYAIP and to private insurers insurance applications for livery vehicles in which the true locations at which the vehicles were garaged and operated was misrepresented, and deliberately caused to be added to policies additional vehicles whose true garaging locations were misrepresented, and caused the mailing of insurance certificates, in order to obtain insurance for the vehicles at much lower rates than the vehicles were eligible for based on their true locations of garaging and operation. In particular, BEJAOU represented that vehicles for which he sought insurance were garaged within Broome, Suffolk, or Nassau Counties, and operated within the rate areas for those counties, in order to obtain insurance at rates substantially lower than those applicable to vehicles garaged and operated in New York City. Once the policies were issued, BEJAOU added to the policies additional livery vehicles operating in New York City,

and defrauded the policy issuers of funds by falsely representing that the additional vehicles were principally garaged in the same location outside New York City as listed in the initial application for the policy in question. BEJAOUİ thereby sought to obtain, and did obtain, insurance at substantially lower rates than would have been charged based on the vehicles' true locations of garaging and operation.

Statutory Allegations

4. In or about the months stated below, in the Southern District of New York and elsewhere, MONDHER BEJAOUİ, the defendant, unlawfully, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice and attempting so to do, did place in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and did deposit and cause to be deposited matters and things to be sent and delivered by private and commercial interstate carriers, and did take and did receive therefrom, and did cause to be delivered by mail and such carriers according to the direction thereon and at the place at which it was directed to be delivered by the person to whom it was addressed, such matters and things, and did aid, abet, counsel, command, induce, and procure the commission of the same offense, to wit, BEJAOUİ


sent and delivered, caused to be sent and delivered, and aided and abetted the sending and delivery of applications for insurance to the NYAIP and from the NYAIP to insurance companies, for the purpose of defrauding insurance companies through false and fraudulent pretenses and representations concerning the areas in which the vehicles to be insured were garaged and were operated, as set forth below:

COUNT	Company Identified As Policy Applicant	Month of Application Mailing(s)	Recipients of Application Mailing(s)	False Matters in Application Mailings
ONE	Hamton Luxury Cars, Inc.	July 2005	NYAIP and Private Insurer	Purported Location of Garaging and/or Operation in Binghamton, New York
TWO	Vestal Limousine Corp.	November 2005	Private Insurer	Purported Location of Garaging and/or Operation in Vestal, New York
THREE	Hampton Luxury Cars, Inc.	March 2006	NYAIP and Private Insurer	Purported Location of Garaging and/or Operation in Vestal, New York
FOUR	Pedro Limousine Corp.	May 2006	NYAIP and Private Insurer	Purported Location of Garaging and/or Operation in Endwell, New York
FIVE	Bejaoui Express, Inc.	May 2006	NYAIP and Private Insurer	Purported Location of Garaging and/or Operation in Southampton, New York

SIX	Heather Limousine Corp.	May 2006	NYAIP and Private Insurer	Purported Location of Garaging and/or Operation in Endwell, New York; Forged or Fraudulent Department of State Filings
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(Title 18, United States Code, Sections 1341 and 2(a)).


FOREPERSON


PREET BHARARA
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

MONDHER BEJAOUI,

Defendant.

INDICTMENT

10 Cr.

(18 U.S.C. §§ 1341 and 2.)

PREET BHARARA

United States Attorney.

A TRUE BILL


Foreperson.

6/22/10 Assigned to J. Iler
Sgt 2 M. J. M. W. 19